

BEFORE  
THE PUBLIC SERVICE COMMISSION OF  
SOUTH CAROLINA  
DOCKET NO. 94-051-W - ORDER NO. 96-848  
DECEMBER 5, 1996

IN RE: Complaints of the Customers of Gauley Falls Water System ) ORDER  
CITING  
PARTIES  
FOR CONTEMPT

This matter comes before the Public Service Commission of South Carolina (the Commission) with regard to the continuing complaints of the customers of the Gauley Falls Water System.

On April 28, 1994, this Commission issued Order No. 94-393, holding Ray Haskett and Piedmont Water Company, Inc./Robbins Brothers jointly responsible for the continuing operation of the Gauley Falls Water System. This Order resulted from a hearing held on April 20, 1994, in which numerous problems with the system were outlined, including outages, leaks in the pipes of the system and other difficulties. This Commission held that the Gauley Falls Water System was a "public utility," due to the prior collection of tap fees, and thus subject to the Commission's jurisdiction. We further held Ray Haskett and Piedmont Water Company, Inc./Robbins Brother jointly responsible for the continued operation of the system. (We note parenthetically that Thomas Sutton testified on behalf of Piedmont Water Company, Inc./Robbins Brothers at the time of the hearing. Since we believe that Thomas

statute. We believe that Order No. 94-393 gave appropriate notice to the parties that the Commission was holding them responsible for the proper operation of the system. With proper operation, comes proper maintenance. Clearly, both proper operation and proper maintenance are lacking with the Gauley Falls Water System, and this is to the great detriment of the residents of Gauley Falls.

Although no specific time limit was decreed by us for the remedying of these problems, it has been some 2½ years since the parties were charged with the operation of the system. We believe that this is ample time to repair the various problems in existence with the system. We therefore hold that Haskett/Piedmont/Robbins Brothers/Sutton have failed to properly operate or maintain the Gauley Falls Water System without just cause or excuse. Pursuant to S. C. Code Ann. Section 58-5-710 (1976), we hereby assess a fine of \$100 per day against all of these parties jointly, beginning with the date of this Order. Pursuant to the statute, each day that the non-compliance continues is a separate and distinct violation of Order No. 94-393. This fine shall continue until the problems with the Gauley Falls Water System are remedied and/or until further Order of this Commission.

We also order that a proceeding shall be established, pursuant to S. C. Code Ann. Section 58-5-730 (1976) to make further determinations regarding the adequacy of service of this system, prior to pursuing the appointment of a receiver for this

Sutton is the only remaining representative of these corporations, we believe that, at this time, Sutton is as responsible as an individual as his companies are for the continued joint operation of the Gauley Falls Water System, along with Ray Haskett.)

In any event, we continue to receive complaints about the operation and/or condition of the Gauley Falls Water System. The Department of Health and Environmental Control (DHEC) has held recent administrative hearings about various problems with the system. We take judicial notice of the fact that a "Boil Water" Order has been issued by that agency. DHEC has also documented continuing problems with various pipes and storage tanks within the system, along with outages, as have we.

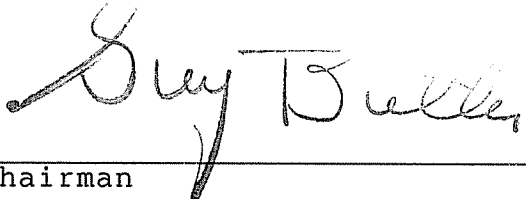
In short, we believe that Ray Haskett, Piedmont Water Company, Inc./Robbins Brothers/Thomas Sutton have failed in their Commission required duty to properly operate the Gauley Falls Water System. When we issued Order No. 94-393, we placed legal responsibility on these parties for the proper operation and/or maintenance of this system. Numerous problems existed with the system at the time of the Order. Haskett/Piedmont Water Company, Inc./Robbins Brothers/Thomas Sutton were expected to address these issues. Obviously, these parties have failed to live up to their responsibilities under this Order. We believe that all of these parties are therefore in willful contempt of this Commission.

We hold that S. C. Code Ann. Section 58-5-710 (1976) is applicable in this case. We believe that the April 20, 1994 hearing is the "appearance" of the Company required by that

system by the Court of Common Please of Pickens County.

This Order shall remain in full force and effect until  
further Order of the Commission.

BY ORDER OF THE COMMISSION:

  
Chairman

ATTEST:

  
Deputy Executive Director  
(SEAL)